

The Examiner alleges that "Tealdi discloses an online mortgage approval and settlement method." That statement is in error. *Taeldi* discloses a system for comparing the financial and other data of loan applicants.

The system of this invention is a method of settling a loan transaction between at least a buyer and seller based upon the valuation and dealing in loan documents between the parties. Its only reference to a mortgage document is that is that the mortgage document is the instrument by which the trade takes place. Thus, the cited reference has no relationship to the disclosed and claimed invention. Notwithstanding the Examiner's representation, not one of the claimed steps is disclosed by *Tealdi*. Thus, for example, the Examiner claims that *Tealdi* teaches at p. 4, 62-63; p.7, 102-105; p. 8, 111 to p. 9, 121; p. 10, 137-138; p. 13-14, 172; p. 15, 187; and fig. 13—all teach using, among other steps, an electronic trade ticket. Nowhere on the cited pages is there an electronic trade ticket of any sort. Rather, there is, as specifically stated at p. 4, 62: "a method for automatically fulfilling lending conditions includes the steps of maintaining a database of a plurality of registered service providers, receiving a loan application having one or more conditions to be fulfilled for the loan application to be approved. . . ." and so on. The method of Applicant's invention has nothing whatever to do with applying for or securing a loan of any sort.

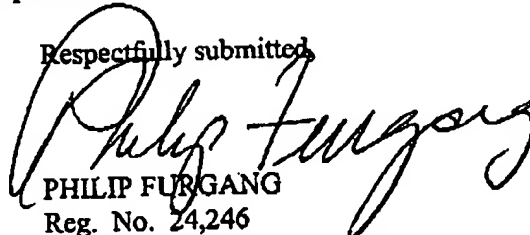
The PTO is respectfully referred to M.P.E.P. §2131 which provides:

"A claim is anticipated only if *each and every element as set forth in the claim is found*, either expressly or inherently described, in a single prior art reference." (Quoting from

*Verdegall Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987)) (emphasis supplied). Therefore, as a matter of law, the cited reference is inapplicable and the claims, as amended herein are allowable.

An early notice of allowance is requested.

Respectfully submitted,



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Dated: November 28, 2005

I hereby certify that this correspondence is being  
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**WHAT IS CLAIMED IS:**

1. An automated method of settling a loan transaction between at least a buyer and a seller by use of a computer system, in which each user of the system is pre-registered with a secure designation and credit information, comprising the steps of:

- (a) inputting to obtaining from the buyer and seller inventory reports;
- (b) providing trade data;
- (c) providing an electronic trade ticket having the trade data thereon;
- (d) inputting into the computer system an the electronic trade ticket including the trade data;
- (be) reviewing said the trade ticket data and ;
- (f) providing a trade confirmation creator;
- (g) preparing a trade confirmation document, through a the trade confirmation creator, including using said the trade data and adding information, if necessary;
- (eh) printing providing the trade confirmation document from the trade confirmation creator document data and information; (d) contacting to the buyer and the seller for the transaction by e-mail to for review by them of the trade confirmation document; (e) adding the data and information
- (i) revising, if necessary, the trade confirmation document, based upon comments from the buyer and seller;

(j) adjusting the data relating to the transaction to the buyer's and seller's inventory reports for the credit information of each; ~~(f) revising, if necessary, said trade confirmation document, based upon comments from said buyer and seller; (g)~~

(k) arranging for signing of said trade confirmation document by said buyer and said seller; and

(h<sub>1</sub>) thereafter producing and arranging for signing of an assignment and acceptance agreement and a funding memorandum, based upon a finalized trade confirmation document, in order to settle the transaction.

2. The method according to claim 1 wherein following said step of revising ~~step, the step of trade confirmation document, re-submitting said the trade confirmation document to said the buyer and said seller for review is performed if any changes were made to the trade confirmation.~~

3. The method according to claim 1 wherein ~~the in said step of reviewing said adding to the~~ buyer's and said seller's inventory reports ~~is performed~~ performing said step just prior to the ~~ultimate step thereof~~ step of producing and arranging for signing of an assignment and acceptance agreement and a funding memorandum, in order to revise said ~~the~~ funding memorandum, if necessary.

4. The method according to claim 1 wherein, following ~~the ultimate step thereof, the step of notifying said buyer and said~~ step of producing and arranging for signing of an assignment and acceptance agreement and a funding memorandum, notifying the buyer and seller of the effectiveness and settlement of said ~~the~~ transaction is performed.

5. The method according to claim 4 wherein, following the said step of claim 4, ~~notifying the step of buyer and seller,~~ receiving payment from ~~said the~~ buyer is performed.

6. The ~~invention method~~ according to claim 5, wherein, ~~thereafter the~~ said step of receiving payment said step of adjusting the inventory reports of ~~said the~~ buyer and ~~said~~ seller is performed.